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Washington Citizens' Commission
on Salaries for Elected Officials

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CHAPTER 2

[Reengrossed Second Substitute House Bill No. 455]
SCHOOL FINANCE—STAFF TO STUDENT RATIOS—SALARIES

AN ACT Relating to education; amending RCW 84.52.0531, 84.52.053, 28A.41.130, 28A.41.140, 41.59.935, 28A.02.325, 28A.03.425, 28A.03.523, and 28A.58.842; adding new sections to chapter 28A.41 RCW; adding a new section to chapter 28A.58 RCW; creating a new section; repealing RCW 28A.58.093, 28A.58.095, and 41.56.960; making an appropriation; and providing an effective date.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature intends to establish the limitation on school district maintenance and operations levies at twenty percent, with ten percent to be equalized on a state-wide basis. The legislature further intends to establish a modern school financing system for compensation of school staff and provide a class size reduction in grades kindergarten through three. The legislature intends to give the highest funding priority to strengthening support for existing school programs.

The legislature finds that providing for the adoption of a state-wide salary allocation schedule for certificated instructional staff will encourage recruitment and retention of able individuals to the teaching profession, and limit the administrative burden associated with implementing state teacher salary policies.

PART I
FINANCING OUR SCHOOLS

Sec. 101. Section 1, chapter 374, Laws of 1985 as amended by section 40, chapter 185, Laws of 1987 and RCW 84.52.0531 are each amended to read as follows:

The maximum dollar amount which may be levied by or for any school district for maintenance and operation support under the provisions of RCW 84.52.053 shall be determined as follows:

(1) (~~For excess levies in 1985 for collection in 1986 and thereafter, the sum of:~~

~~(a) That amount equal to ten percent of each school district's prior year basic education allocation; plus~~

~~(b) That amount equal to ten percent of each school district's prior year state allocation, exclusive of federal funds, for the following programs:~~

- ~~(i) Pupil transportation;~~
- ~~(ii) Handicapped education costs;~~
- ~~(iii) Gifted; and~~
- ~~(iv) Compensatory education, including but not limited to remediation assistance, bilingual education, and urban, rural, racial disadvantaged programs, plus~~

~~(c) In the case of nonhigh school districts only, an amount equal to the total estimated amount due by the nonhigh school district to high school districts pursuant to chapter 28A.44 RCW, as now or hereafter amended; for the school year during which collection of the levy is to commence, less the increase in the nonhigh school district's basic education allocation as computed pursuant to subsection (4) of this section due to the inclusion of pupils participating in a program provided for in chapter 28A.44 RCW in such computation:~~

~~(2) Excess levies authorized under this section or under RCW 84.52-.052 shall not be used directly or indirectly to increase the average salary or fringe benefits for certificated or classified personnel in any school district. PROVIDED, That any school district may expend excess levy funds to provide increases in salary and fringe benefits for classified or certificated personnel whose salary and fringe benefits are provided wholly from local school district excess levies in a percentage not to exceed the respective average percentage increases in the salary and fringe benefit levels for classified and certificated employees of the district funded with state appropriated funds. PROVIDED FURTHER, That those contracts which have been negotiated prior to July 1, 1977 by those school districts for such school year shall not be abrogated by this section. "Fringe benefits" for purposes of this subsection shall include:~~

- ~~(a) Employer retirement contributions, if applicable;~~
- ~~(b) Health and insurance payments including life, accident, disability, unemployment compensation, and workers' compensation; and~~
- ~~(c) Employer social security contributions.~~

~~(3) Any school district whose average base compensation for certificated or classified personnel respectively is below state-wide average base compensation level for certificated or classified personnel during the preceding school year, may collect and expend property taxes authorized by this section, or under RCW 84.52.052, for the purpose of increasing such district's average compensation for certificated or classified personnel as allowed in the latest applicable state operating budget. "Compensation", for purposes of this subsection, shall mean salary plus fringe benefits for classified and certificated personnel of a school district as allowed in the latest applicable state operating budget.~~

~~(4))~~ For the purpose of this section, the basic education allocation shall be determined pursuant to RCW 28A.41.130, 28A.41.140, and 28A.41.145, as now or hereafter amended: PROVIDED, That when determining the basic education allocation under subsection ~~((†))~~ (4) of this section, ~~((effective September 1, 1979;))~~ nonresident full time equivalent pupils who are participating in a program provided for in chapter 28A.44 RCW or in any other program pursuant to an interdistrict agreement shall be included in the enrollment of the resident district and excluded from the enrollment of the serving district.

~~((Certificated personnel shall include those persons employed by a school district in a teaching, instructional, administrative or supervisory capacity and who hold positions as certificated personnel as defined under RCW 28A.01.130, as now or hereafter amended, and every school district superintendent, and any person hired in any manner to fill a position designated as, or which is in fact, that of deputy superintendent or assistant superintendent. Classified personnel shall include those persons employed by a school district other than certificated personnel as defined in this section in a capacity for which certification is not required:~~

~~(5) Any district is authorized to exceed the levy limitations imposed by subsection (1) for taxes to be collected during calendar years 1985 through 1993 as follows:~~

~~(a)) (2) For ((excess levies to be collected in calendar years 1986, 1987, and 1988)) the purposes of subsection (5) of this section, a base year levy percentage shall be established. The base year levy percentage shall be equal to the greater of: ((†)) (a) The district's actual levy percentage for calendar year 1985, ((††)) (b) the average levy percentage for all school district levies in the state in calendar year 1985, or ((†††)) (c) the average levy percentage for all school district levies in the educational service district of the district in calendar year 1985.~~

~~((b) The base year levy percentage established in (a) of this subsection shall be reduced in even increments beginning in calendar year 1989. The incremental reduction shall equal one-fifth of the percentage points the base year levy percentage exceeds the amount authorized in subsection (1) of this section:~~

~~(c) For excess levies to be collected in calendar year 1993, the maximum dollar amount which may be levied by or for any school district shall not exceed the amount authorized in subsection (1) of this section. The provisions of this subsection shall not apply to excess levies to be collected after calendar year 1993:~~

~~(6)) (3) For excess levies for collection in calendar year 1988 and thereafter, the maximum dollar amount shall be the total of:~~

~~(a) The district's levy base as defined in subsection (4) of this section multiplied by the district's maximum levy percentage as defined in subsections (5) and (6) of this section; plus~~

(b) In the case of nonhigh districts only, an amount equal to the total estimated amount due by the nonhigh school district to high school districts pursuant to chapter 28A.44 RCW for the school year during which collection of the levy is to commence, less the increase in the nonhigh school district's basic education allocation as computed pursuant to subsection (1) of this section due to the inclusion of pupils participating in a program provided for in chapter 28A.44 RCW in such computation; less

(c) The maximum amount of state matching funds under section 102 of this 1987 act for which the district is eligible in that tax collection year.

(4) For excess levies for collection in calendar year 1988 and thereafter, a district's levy base shall be the sum of the following allocations received by the district for the prior school year, including allocations for compensation increases, multiplied by the percent increase per full time equivalent student in the state basic education appropriation between the prior school year and the current school year:

(a) The district's basic education allocation as determined pursuant to RCW 28A.41.130, 28A.41.140, and 28A.41.145;

(b) State and federal categorical allocations for the following programs:

(i) Pupil transportation;

(ii) Handicapped education;

(iii) Education of highly capable students;

(iv) Compensatory education, including but not limited to learning assistance, migrant education, Indian education, refugee programs, and bilingual education;

(v) Food services; and

(vi) State-wide block grant programs; and

(c) Any other federal allocations for elementary and secondary school programs, including direct grants, other than federal impact aid funds and allocations in lieu of taxes.

(5) For levies to be collected in calendar year 1988, a district's maximum levy percentage shall be determined as follows:

(a) Multiply the district's base year levy percentage as defined in subsection (2) of this section by the district's levy base as determined in subsection (4) of this section;

(b) Reduce the amount in (a) of this subsection by the total estimated amount of any levy reduction funds as defined in subsection (7) of this section which are to be allocated to the district for the 1987-88 school year;

(c) Divide the amount in (b) of this subsection by the district's levy base to compute a new percentage; and

(d) The percentage in (c) of this subsection or twenty percent, whichever is greater, shall be the district's maximum levy percentage for levies collected in calendar year 1988.

(6) For excess levies for collection in calendar year 1989 and thereafter, a district's maximum levy percentage shall be determined as follows:

(a) Multiply the district's maximum levy percentage for the prior year or thirty percent, whichever is less, by the district's levy base as determined in subsection (4) of this section;

(b) Reduce the amount in (a) of this subsection by the total estimated amount of any levy reduction funds as defined in subsection (7) of this section which are to be allocated to the district for the current school year;

(c) Divide the amount in (b) of this subsection by the district's levy base to compute a new percentage; and

(d) The percentage in (c) of this subsection or twenty percent, whichever is greater, shall be the district's maximum levy percentage for levies collected in that calendar year.

(7) "Levy reduction funds" shall mean increases in state funds allocated to a district for programs included under subsection (4) of this section that are not attributable to enrollment or workload changes, compensation increases, or inflationary adjustments recognized in state allocation formulas. Any other increases in state allocations from the district's allocations for the prior school year that are not specifically excluded in this subsection shall be considered levy reduction funds. If levy reduction funds are dependent on formula factors which would not be finalized until after the start of the current school year, the superintendent of public instruction shall estimate the total amount of levy reduction funds by using prior school year data in place of current school year data.

(8) For the purposes of this section, "prior school year" shall mean the most recent school year completed prior to the year in which the levies are to be collected.

(9) For the purposes of this section, "current school year" shall mean the year immediately following the prior school year.

(10) The superintendent of public instruction shall develop rules and regulations and inform school districts of the pertinent data necessary to carry out the provisions of this section.

NEW SECTION. Sec. 102. A new section is added to chapter 28A.41 RCW to read as follows:

(1) Commencing with taxes assessed in 1988 to be collected in calendar year 1989 and thereafter, in addition to a school district's other general fund allocations, each eligible district shall be provided local effort assistance funds as provided in this section. Such funds are not part of the district's basic education allocation. For the first distribution of local effort assistance funds provided under this section in calendar year 1989, state funds may be prorated according to the formula in this section.

(2) (a) "Prior tax collection year" shall mean the year immediately preceding the year in which the local effort assistance shall be allocated.

(b) The "state-wide average ten percent levy rate" shall mean ten percent of the total levy bases as defined in RCW 84.52.0531(4) summed for all school districts, and divided by the total assessed valuation for excess levy purposes in the prior tax collection year for all districts as adjusted to one hundred percent by the county indicated ratio established in RCW 84.48.075.

(c) The "ten percent levy rate" of a district shall mean:

(i) Ten percent of the district's levy base as defined in RCW 84.52.0531(4), plus one-half of any amount computed under RCW 84.52.0531(3)(b) in the case of nonhigh school districts; divided by

(ii) The district's assessed valuation for excess levy purposes for the prior tax collection year as adjusted to one hundred percent by the county indicated ratio.

(d) "Eligible districts" shall mean those districts with a ten percent levy rate which exceeds the state-wide average ten percent levy rate.

(3) Allocation of state matching funds to eligible districts for local effort assistance shall be determined as follows:

(a) Funds raised by the district through maintenance and operation levies during that tax collection year shall be matched with state funds using the following ratio of state funds to levy funds: (i) The difference between the district's ten percent levy rate and the state-wide average ten percent levy rate; to (ii) the state-wide average ten percent levy rate.

(b) The maximum amount of state matching funds for which a district may be eligible in any tax collection year shall be ten percent of the district's levy base as defined in RCW 84.52.0531(4), multiplied by the following percentage: (i) The difference between the district's ten percent levy rate and the state-wide average ten percent levy rate; divided by (ii) the district's ten percent levy rate.

(4) Fifty-five percent of local effort assistance funds shall be distributed to qualifying districts during the applicable tax collection year on or before June 30 and forty-five percent shall be distributed on or before December 31 of any year.

Sec. 103. Section 3, chapter 325, Laws of 1977 ex. sess. as amended by section 1, chapter 133, Laws of 1986 and RCW 84.52.053 are each amended to read as follows:

The limitations imposed by RCW 84.52.050 through 84.52.056, and RCW 84.52.043 shall not prevent the levy of additional taxes by school districts, when authorized so to do by the electors of such school district in the manner ~~((set forth in))~~ and for the purposes and number of years allowable under Article VII, section 2(a) of the Constitution of this state, as amended by Amendment ((59)) 79 and as thereafter amended, at a special or general election to be held in the year in which the levy is made or, in the case of a proposition authorizing two-year levies for maintenance and operation support of a school district~~((including but not limited to levies))~~ or

authorizing two-year through six-year levies to support the construction, modernization, or remodeling of school facilities (~~(and levies for the maintenance and operation of schools, for a period exceeding one year)~~), or both, at a special or general election to be held in the year in which the first annual levy is made: PROVIDED, That once additional tax levies have been authorized for maintenance and operation support of a school district for a two year period, no further additional tax levies for maintenance and operation support of the district for that period may be authorized.

A special election may be called and the time therefor fixed by the board of school directors, by giving notice thereof by publication in the manner provided by law for giving notices of general elections, at which special election the proposition authorizing such excess levy shall be submitted in such form as to enable the voters favoring the proposition to vote "yes" and those opposed thereto to vote "no".

PART II ENHANCING SCHOOL MANAGEMENT

Sec. 201. Section 2, chapter 46, Laws of 1973 as last amended by section 1, chapter 144, Laws of 1986 and RCW 28A.41.130 are each amended to read as follows:

From those funds made available by the legislature for the current use of the common schools, the superintendent of public instruction shall distribute annually as provided in RCW 28A.48.010 to each school district of the state operating a program approved by the state board of education an amount which, when combined with an appropriate portion of such locally available revenues, other than receipts from federal forest revenues distributed to school districts pursuant to RCW 28A.02.300 and 28A.02.310, as the superintendent of public instruction may deem appropriate for consideration in computing state equalization support, excluding excess property tax levies, will constitute a basic education allocation in dollars for each annual average full time equivalent student enrolled, based upon one full school year of one hundred eighty days, except that for kindergartens one full school year shall be one hundred eighty half days of instruction, or the equivalent as provided in RCW 28A.58.754, as now or hereafter amended.

Basic education shall be considered to be fully funded by those amounts of dollars appropriated by the legislature pursuant to RCW 28A.41.130 and 28A.41.140 to fund those program requirements identified in RCW 28A.58.754 in accordance with the formula and ratios provided in RCW 28A.41.140 and those amounts of dollars appropriated by the legislature to fund the salary requirements of sections 203 and 204 of this 1987 act.

Operation of a program approved by the state board of education, for the purposes of this section, shall include a finding that the ratio of students per classroom teacher in grades kindergarten through three is not greater

than the ratio of students per classroom teacher in grades four and above for such district: PROVIDED, That for the purposes of this section, "classroom teacher" shall be defined as an instructional employee possessing at least a provisional certificate, but not necessarily employed as a certificated employee, whose primary duty is the daily educational instruction of students: PROVIDED FURTHER, That the state board of education shall adopt rules and regulations to insure compliance with the student/teacher ratio provisions of this section, and such rules and regulations shall allow for exemptions for those special programs and/or school districts which may be deemed unable to practicably meet the student/teacher ratio requirements of this section by virtue of a small number of students.

If a school district's basic education program fails to meet the basic education requirements enumerated in RCW 28A.41.130, 28A.41.140 and 28A.58.754, the state board of education shall require the superintendent of public instruction to withhold state funds in whole or in part for the basic education allocation until program compliance is assured: PROVIDED, That the state board of education may waive this requirement in the event of substantial lack of classroom space.

Sec. 202. Section 14, chapter 244, Laws of 1969 ex. sess. as last amended by section 5, chapter 349, Laws of 1985 and RCW 28A.41.140 are each amended to read as follows:

The basic education allocation for each annual average full time equivalent student shall be determined in accordance with the following procedures:

(1) The governor shall and the superintendent of public instruction may recommend to the legislature a formula based on a ratio of students to staff for the distribution of a basic education allocation for each annual average full time equivalent student enrolled in a common school. The distribution formula shall have the primary objective of equalizing educational opportunities and shall provide appropriate recognition of the following costs among the various districts within the state:

~~((1))~~ (a) Certificated instructional staff and their related costs;
~~((2))~~ (b) Certificated administrative staff and their related costs;
 (c) Classified staff and their related costs;
~~((3))~~ (d) Nonsalary costs;
~~((4))~~ (e) Extraordinary costs of remote and necessary schools and small high schools, including costs of additional certificated and classified staff; and

~~((5))~~ (f) The attendance of students pursuant to RCW 28A.58.075 and 28A.58.245, each as now or hereafter amended, who do not reside within the servicing school district.

(2) (a) This formula for distribution of basic education funds shall be reviewed biennially by the superintendent and governor. The recommended

formula shall be subject to approval, amendment or rejection by the legislature. ((Commencing with the 1980-81 school year, the formula adopted by the legislature shall reflect a ratio of not less than fifty certificated personnel to one thousand annual average full time equivalent students and one classified person to three certificated personnel:)) The formula shall be for allocation purposes only. While the legislature intends that the allocations for additional instructional staff be used to increase the ratio of such staff to students, nothing in this section shall require districts to reduce the number of administrative staff below existing levels.

(b) The formula adopted by the legislature for the 1987-88 school year shall reflect the following ratios at a minimum: (i) Forty-eight certificated instructional staff to one thousand annual average full time equivalent students enrolled in grades kindergarten through three; (ii) forty-six certificated instructional staff to one thousand annual average full time equivalent students enrolled in grades four through twelve; (iii) four certificated administrative staff to one thousand annual average full time equivalent students enrolled in grades kindergarten through twelve; and (iv) sixteen and sixty-seven one-hundredths classified personnel to one thousand annual average full time equivalent students enrolled in grades kindergarten through twelve.

(c) Commencing with the 1988-89 school year, the formula adopted by the legislature shall reflect the following ratios at a minimum: (i) Forty-nine certificated instructional staff to one thousand annual average full time equivalent students enrolled in grades kindergarten through three; (ii) forty-six certificated instructional staff to one thousand annual average full time equivalent students in grades four through twelve; (iii) four certificated administrative staff to one thousand annual average full time equivalent students in grades kindergarten through twelve; and (iv) sixteen and sixty-seven one-hundredths classified personnel to one thousand annual average full time equivalent students enrolled in grades kindergarten through twelve.

(d) In the event the legislature rejects the distribution formula recommended by the governor, without adopting a new distribution formula, the distribution formula for the previous school year shall remain in effect: PROVIDED, That the distribution formula developed pursuant to this section shall be for state apportionment and equalization purposes only and shall not be construed as mandating specific operational functions of local school districts other than those program requirements identified in RCW 28A.58.754 and section 203 of this 1987 act. The enrollment of any district shall be the annual average number of full time equivalent students and part time students as provided in RCW 28A.41.145, as now or hereafter amended, enrolled on the first school day of each month and shall exclude full time equivalent handicapped students recognized for the purposes of allocation of state funds for programs under chapter 28A.13 RCW. The definition of full time equivalent student shall be determined by rules and

regulations of the superintendent of public instruction: PROVIDED, That the definition shall be included as part of the superintendent's biennial budget request: PROVIDED, FURTHER, That any revision of the present definition shall not take effect until approved by the house appropriations committee and the senate ways and means committee: PROVIDED, FURTHER, That the office of financial management shall make a monthly review of the superintendent's reported full time equivalent students in the common schools in conjunction with RCW 43.62.050.

(3) (a) Certificated instructional staff shall include those persons employed by a school district ((in a teaching, instructional, educational staff associate, learning resources specialist, administrative or supervisory capacity and who hold positions as certificated employees as defined under RCW 28A.01.130, as now or hereafter amended, and every school district superintendent, and any person hired in any manner to fill a position designated as, or which is in fact, that of deputy superintendent or assistant superintendent)) who are nonsupervisory employees within the meaning of RCW 41.59.020(8): PROVIDED, That in exceptional cases, people of unusual competence but without certification may teach students so long as a certificated person exercises general supervision: PROVIDED, FURTHER, That the hiring of such noncertificated people shall not occur during a labor dispute and such noncertificated people shall not be hired to replace certificated employees during a labor dispute.

(b) Certificated administrative staff shall include all those persons who are chief executive officers, chief administrative officers, confidential employees, supervisors, principals, or assistant principals within the meaning of RCW 41.59.020(4).

(4) Each annual average full time equivalent certificated classroom teacher's direct classroom contact hours shall average at least twenty-five hours per week. Direct classroom contact hours shall be exclusive of time required to be spent for preparation, conferences, or any other nonclassroom instruction duties. Up to two hundred minutes per week may be deducted from the twenty-five contact hour requirement, at the discretion of the school district board of directors, to accommodate authorized teacher/parent-guardian conferences, recess, passing time between classes, and informal instructional activity. Implementing rules to be adopted by the state board of education pursuant to RCW 28A.58.754(6) shall provide that compliance with the direct contact hour requirement shall be based upon teachers' normally assigned weekly instructional schedules, as assigned by the district administration. Additional record-keeping by classroom teachers as a means of accounting for contact hours shall not be required. However, upon request from the board of directors of any school district, the provisions relating to direct classroom contact hours for individual teachers in that district may be waived by the state board of education if the waiver is necessary to implement a locally approved plan for educational excellence

and the waiver is limited to those individual teachers approved in the local plan for educational excellence. The state board of education shall develop criteria to evaluate the need for the waiver. Granting of the waiver shall depend upon verification that: (a) The students' classroom instructional time will not be reduced; and (b) the teacher's expertise is critical to the success of the local plan for excellence.

NEW SECTION. Sec. 203. A new section is added to chapter 28A.41 RCW to read as follows:

(1) For the purposes of this section and sections 204 and 205 of this act, "basic education certificated instructional staff" shall mean all full time equivalent certificated instructional staff in the following programs as defined for state-wide school district accounting purposes: Basic education, secondary vocational education, general instructional support, and general supportive services.

(2) In the 1988-89 school year and thereafter, each school district shall maintain a ratio of at least forty-six basic education certificated instructional staff to one thousand annual average full time equivalent students.

NEW SECTION. Sec. 204. A new section is added to chapter 28A.41 RCW to read as follows:

(1) The legislature shall establish for each school year in the appropriations act a state-wide salary allocation schedule, for allocation purposes only, to be used to distribute funds for basic education certificated instructional staff salaries under RCW 28A.41.140.

(2) The superintendent of public instruction shall calculate salary allocations for state funded basic education certificated instructional staff by determining the district average salary for basic education instructional staff using the salary allocation schedule established pursuant to this section. However, no district shall receive an allocation based upon an average basic education certificated instructional staff salary which is less than the average of the district's 1986-87 actual basic education certificated instructional staff salaries, as reported to the superintendent of public instruction prior to June 1, 1987, and the legislature may grant minimum salary increases on that base.

NEW SECTION. Sec. 205. A new section is added to chapter 28A.58 RCW to read as follows:

(1) Every school district board of directors shall fix, alter, allow, and order paid salaries and compensation for all district employees in conformance with this section.

(2)(a) Salaries for certificated instructional staff shall not be less than the salary provided in the appropriations act in the state-wide salary allocation schedule for an employee with a baccalaureate degree and zero years of service; and

(b) Salaries for certificated instructional staff with a masters degree shall not be less than the salary provided in the appropriations act in the state-wide salary allocation schedule for an employee with a masters degree and zero years of service;

(3)(a) The actual average salary paid to basic education certificated instructional staff shall not exceed the district's average basic education certificated instructional staff salary used for the state basic education allocations for that school year as determined pursuant to section 204 of this act.

(b) Fringe benefit contributions for basic education certificated instructional staff shall be included as salary under (a) of this subsection to the extent that the district's actual average benefit contribution exceeds the greater of: (i) The formula amount for insurance benefits provided per certificated instructional staff unit in the state operating appropriations act in effect at the time the compensation is payable; or (ii) the actual average amount provided by the school district in the 1986-87 school year. For purposes of this section, fringe benefits shall not include payment for unused leave for illness or injury under RCW 28A.58.096, or employer contributions for old age survivors insurance, workers' compensation, unemployment compensation, and retirement benefits under the Washington state retirement system.

(c) Salary and benefits for certificated instructional staff in programs other than basic education shall be consistent with the salary and benefits paid to certificated instructional staff in the basic education program.

(4) Salaries and benefits for certificated instructional staff may exceed the limitations in subsection (3) of this section only by separate contract for additional time, additional responsibilities, or incentives. Supplemental contracts shall not cause the state to incur any present or future funding obligation. Supplemental contracts shall be subject to the collective bargaining provisions of chapter 41.59 RCW and the provisions of RCW 28A.67.074, shall not exceed one year, and if not renewed shall not constitute adverse change in accordance with RCW 28A.58.450 through 28A.58.515. No district may enter into a supplemental contract under this subsection for the provision of services which are a part of the basic education program required by Article IX, section 3 of the state Constitution.

Sec. 206. Section 3, chapter 16, Laws of 1981 and RCW 41.59.935 are each amended to read as follows:

Nothing in this chapter shall be construed to grant employers or employees the right to reach agreements regarding salary or compensation increases in excess of those authorized in accordance with ((RCW 28A.58.095)) sections 204 and 205 of this 1987 act.

Sec. 207. Section 2, chapter 143, Laws of 1986 and RCW 28A.02.325 are each amended to read as follows:

The board of directors of the school district shall make the final determination as to whether an employee suggestion award will be made and shall determine the nature and extent of the award. The award shall not be a regular or supplemental compensation program for all employees and the suggestion must, in fact, result in actual savings greater than the award amount. Any moneys which may be awarded to an employee as part of an employee suggestion program shall not be considered salary or compensation for the purposes of (~~RCW 28A.58.095~~) section 205 of this 1987 act or chapter 41.40 RCW.

Sec. 208. Section 5, chapter 278, Laws of 1984 as amended by section 1, chapter 197, Laws of 1987 and RCW 28A.03.425 are each amended to read as follows:

The office of the superintendent of public instruction, in consultation with the state board of education, shall prepare model curriculum programs and/or curriculum guidelines in three subject areas each year. These model curriculum programs or curriculum guidelines shall span all grade levels and shall include statements of expected learning outcomes, content, integration with other subject areas including guidelines for the application of vocational and applied courses to fulfill in whole or in part the courses required for graduation under RCW 28A.05.060, recommended instructional strategies, and suggested resources.

Certificated employees with expertise in the subject area under consideration shall be chosen by the superintendent of public instruction from each educational service district, from a list of persons suggested by their peers, to work with the staff of the superintendent of public instruction to prepare each model curriculum program or curriculum guidelines. Each participant shall be paid his or her regular salary by his or her district, and travel and per diem expenses by the superintendent of public instruction. The superintendent of public instruction shall make selections of additional experts in the subject area under consideration as are needed to provide technical assistance and to review and comment upon the model curriculum programs and/or curriculum guidelines before publication and shall be paid travel and per diem expenses by the superintendent of public instruction as necessary. The model curriculum programs and curriculum guidelines shall be made available to all districts. Participants developing model curriculum programs and/or curriculum guidelines may be used by school districts to provide training or technical assistance or both. After completion of the original development of model curriculum programs or curriculum guidelines, the office of the superintendent of public instruction shall schedule, at least every five years, a regular review and updating of programs and guidelines in each subject matter area. (~~Any travel and per diem expenses provided to employees involved in the development of model programs or guidelines shall not be considered salary or compensation for purposes of the limitations established in RCW 28A.58.095.~~)

Sec. 209. Section 2, chapter 147, Laws of 1986 and RCW 28A.03.523 are each amended to read as follows:

(1) The superintendent of public instruction shall establish an annual award program for excellence in education to recognize teachers, principals, school district superintendents, and school boards for their leadership, contributions, and commitment to education. The program shall recognize annually:

(a) Three teachers from each congressional district of the state. One individual must be an elementary level teacher, one must be a junior high or middle school level teacher, and one must be a secondary level teacher;

(b) Three principals from each congressional district of the state. One individual must be an elementary building principal, one must be a junior high or middle school building principal, and one must be a secondary building principal;

(c) One school district superintendent from the state; and

(d) One school district board of directors from the state.

Not more than three teachers and three principals from each congressional district and one superintendent and one school board from the state may be recognized and receive awards in any school year.

(2) The awards for teachers and principals shall include certificates presented by the governor and the superintendent of public instruction at a public ceremony or ceremonies in appropriate locations.

(3) In addition to certificates under subsection (2) of this section, awards for teachers and principals shall include:

(a) A waiver of tuition and fees under RCW 28B.15.547 and a stipend not to exceed one thousand dollars to cover costs incurred in taking courses for which the tuition and fees have been waived under this subsection and RCW 28B.15.547. The stipend shall not be considered compensation for the purposes of ~~((RCW 28A.58.095))~~ section 205 of this 1987 act; or

(b) Teachers and principals, at their discretion, may elect to forego the waiver of tuition and fees and the stipend under subsection (3) of this section and apply for a grant not to exceed one thousand dollars, which grant shall be awarded under the provisions of RCW 28A.03.535. Within one year of receiving the award for excellence in education, teachers and principals shall notify the superintendent of public instruction in writing of their decision to apply for a grant or to receive the waiver of tuition and fees and the stipend under subsection (3) of this section.

Sec. 210. Section 2, chapter 399, Laws of 1985 and RCW 28A.58.842 are each amended to read as follows:

The board of directors of any school district may establish a commendable employee service and recognition award program for certificated and classified school employees. The program shall be designed to recognize exemplary service, special achievements, or outstanding contributions by an individual in the performance of his or her duties as an employee of the

school district. The board of directors of the school district shall determine the extent and type of any nonmonetary award. The value of any nonmonetary award shall not be deemed salary or compensation for the purposes of (~~RCW 28A.58.095~~) section 205 of this 1987 act or chapter 41.32 RCW.

NEW SECTION. Sec. 211. The following acts or parts of acts are each repealed:

- (1) Section 7, chapter 349, Laws of 1985 and RCW 28A.58.093;
- (2) Section 2, chapter 16, Laws of 1981, section 1, chapter 275, Laws of 1983, section 1, chapter 245, Laws of 1984 and RCW 28A.58.095; and
- (3) Section 4, chapter 16, Laws of 1981 and RCW 41.56.960.

NEW SECTION. Sec. 212. The sum of five million dollars, or as much thereof as may be necessary is appropriated for the biennium ending June 30, 1989, to the superintendent of public instruction for state matching funds pursuant to section 102 of this act. Such sum is found to be equivalent to twenty-three percent of the money for state matching funds under section 102 of this act for the 1987-89 biennium. The superintendent of public instruction shall distribute the funds to districts proportionally to the amount the district would have received if the formula under section 102 of this act were fully funded. Districts shall not receive more than their proportional shares.

NEW SECTION. Sec. 213. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 214. This act shall take effect September 1, 1987.

Passed the House May 21, 1987.

Passed the Senate May 21, 1987.

Approved by the Governor June 9, 1987.

Filed in Office of Secretary of State June 9, 1987.

CHAPTER 3

[Reengrossed Substitute House Bill No. 621]

STATE GENERAL OBLIGATION BONDS

AN ACT Relating to state general obligation bonds; amending RCW 43.83.020, 43.831-.160, 43.99B.010, and 67.40.030; and adding a new chapter to Title 43 RCW.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The state finance committee is authorized to issue general obligation bonds of the state of Washington in the sum of four hundred twelve million three hundred thousand dollars, or so much thereof as may be required, to finance the projects described and authorized by the